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SUPPLEMENT TO
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1. Land Mecklenburg Office for Economic Planning (Amt für Wirtschaftsplanung, AWP) occupies the same position in the land economy as the German Economic Commission (DWE) occupies in the entire Soviet Zone. But, although AWP must be coordinated with the DWE, AWP is not primarily responsible to DWE but to the Land Minister-President, Höcker.
2. In 1948 AWP was headed by Ministerialdirektor Reichard. The key office of AWP was Abteilung Kontrolle, headed by a pre-war KPD member from Cologne, Frau Anna Moritz. Previously a member of the Personnel Section of the SED Landesvorstand in Mecklenburg, she threw herself wholeheartedly into the work of "controlling" the Mecklenburg economy with the understanding that the immediate objective was the elimination of privately owned enterprises and the incorporation of them into the Union of Peoples' Owned Enterprises (Vereinigung Volkseigener Betriebe, VVB). Frau Moritz had at her disposal some twenty-five employees, most of whom were novices in the field of economics. She retained the majority of these employees in her Schwerin office; some were transferred to four field offices located in Güstrow, Neubrandenburg, Stralsund, and Uckermark.
3. Official duties of the AWP field stations are described in the following AWP instruction: "The Controller, Herr X, is empowered, by the law for Economic Planning of Land Mecklenburg and Control Council Law No. 50, to implement control of the entire production, distribution, and transportation organizations, as well as other agencies under the jurisdiction of the Mecklenburg Landesregierung. The law demands that all agencies and plants supply the controllers with all production and distribution data." This enabling document granted AWP controllers full powers of inspection and control over all industrial enterprises. Private directives from Anna Moritz instructed the controllers to uncover data which would facilitate the transference of private enterprises to the VVB. Since post-war production has been characterized by acute shortages, and demands transactions which are not entirely legal in the procurement of vital raw materials and machinery, the controllers are always in a position to eliminate private ownership in favor of socialized industry. Some plant owners have been able to retain control of their businesses only by private arrangements with the controllers.

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who "control" the industry not by checking books and figures but simply by "talking" to the proprietors. Bribery and favors are concomitant abuses of the "control system".

4. Although the controllers take orders from the AWP of the Land administration, which, in turn, is directed by SED-approved people, the SED also exerts direct control over AWP controllers by demanding that they constantly report their activities to the Economic Section (Abteilung Wirtschaft) of the local SED party organization. If, perchance, some individual controllers are not strict adherents to the party line, AWP and the SED are in a position to determine their true politics and to dismiss the nonconformists.
5. The AWP requires each plant to fill out monthly a so-called "1 KM-Bogen" (production questionnaire). The proprietor must list all debts, the number of workers, raw material on hand, manufactured goods on hand, percentage of utilized plant production capacity, etc. It is then the controller's duty to add to this report all information obtainable on the political reliability of the owner, key employees, and in a general way, on all employees. The report is then sent to AWP and to the Economic Section of the local SED headquarters. The innumerable shortages of materials and machine parts, technicians and engineers, and the relative worthlessness of the Ostmark, practically guarantee that each plant, whether socialized or privately owned, is guilty of some infraction. Owners or directors are subject to penalties. Actually, it is only the individual's political attitude, adherence to the party or non-resistance to the party's aims, that guarantees protection from prosecution.
6. An order for greater economy and efficiency in government effected some changes in the Office of Economic Control in 1949. As a result of reorganization, the AWP, which up to the beginning of the year, was nominally under the Ministry of Interior, was raised to the designation of Hauptamt, removed from the Ministry of Interior, and made directly responsible to the DWA. In the Land government the Hauptamt assumed the position of a consultative council to the minister-president and stood above all of the land ministries. Officially, its name became: Hauptabteilung Wirtschaftsplanung (HAWP).
7. Abteilung Kontrolle of the old AWP was at first reduced to ten men stationed in Schwerin with the field offices closed entirely. In February 1949 all personnel of Abteilung Kontrolle, including its chief, Anna Moritz, was dismissed. The office was replaced by Hauptamt Plankontrolle.
8. In addition to Hauptamt Plankontrolle there are five other divisions in the HAWP: Abteilung Industrie (Dept. for Industry), Abteilung Materialversorgung (Dept. for Industrial Supplies), Abteilung Zusammenfassende Planung (Dept. for Planning Coordination), Landesamt für Interzonen- und Ausserhandel (Land Office for Interzonal and Foreign Trade), and Statistisches Landesamt (Statistical Land Office).
9. Unlike the old AWP, the HAWP plans not only the Land economy but all activities (economic, religious, educational, social, financial, and cultural) within Land Mecklenburg. The only other Land agencies performing work similar to HAWP are: Landeskontrollkommission, LKE (Land Control Commission) and the Amt zum Schutze des Volkseigentums, ASV (Office for the Protection of Publicly-Owned Property). The LKE is mostly concerned with the security of top Land officials and Land offices. The ASV acts as the Land's legal representative in disputes between private property and enterprises and Land property. It also appoints trustworthy administrators and managers for factories or properties that have been confiscated from private ownership. They are responsible for such properties until ownership has been officially determined, usually in favor of the state. In such cases ASV surrenders its responsibility to Vereinigung Volkseigene Betriebe, VVB.

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* Comment:

Reichard has since defected to the West.

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